

HELP WANTED:

Highlights from the
Fourth Quarter, 2004
Louisiana Job Vacancy Survey

Statewide Findings

Louisiana Department of Labor
Developed by the Research & Statistics Division
for the Office of Workforce Development



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WHERE are the vacancies?

Louisiana Vacancies by Occupational Group

| Occupational Group | Number of Vacancies | Employment in Occupation | Percent Requiring More than a High School Diploma | Percent Requiring at Least Some Work Experience | Median Hourly Wage Offered |
|---|------------------------|-----------------------------|---|---|-------------------------------------|
| Office & Administrative Support | 6,515 | 312,660 | 27.0% | 76.6% | \$9.00 |
| Sales & Related | 6,311 | 190,920 | 29.7% | 62.7% | \$6.75 |
| Transportation & Material Moving | 5,126 | 150,270 | 20.8% | 67.4% | \$8.00 |
| Food Preparation & Serving Related | 4,754 | 164,330 | 2.6% | 49.7% | \$5.65 |
| Healthcare Practitioner & Technical | 2,486 | 107,740 | 92.3% | 73.7% | \$14.42 |
| Installation, Maintenance & Repair | 2,386 | 93,190 | 54.4% | 87.7% | \$10.00 |
| Construction & Extraction | 2,205 | 115,010 | 35.5% | 85.0% | \$10.00 |
| Production | 1,997 | 125,260 | 32.9% | 94.1% | \$10.69 |
| Building & Grounds Cleaning & Maintenance | 1,664 | 61,720 | 15.8% | 56.8% | \$6.75 |
| Healthcare Support | 1,512 | 52,960 | 70.4% | 62.3% | \$7.07 |
| Personal Care & Service | 1,218 | 53,370 | 21.4% | 66.6% | \$6.00 |
| Management | 697 | 95,340 | 84.2% | 99.7% | \$17.00 |
| Protective Service | 634 | 52,710 | 1.6% | 84.6% | \$8.00 |
| Business & Financial Operations | 564 | 54,070 | 88.7% | 100.0% | \$17.31 |
| Architecture & Engineering | 540 | 28,580 | 98.1% | 81.0% | \$25.63 |
| Arts, Design, Entertainment, Sports & Media | 480 | 15,530 | 70.9% | 63.2% | \$8.00 |
| Education, Training & Library | 463 | 110,580 | 84.3% | 58.6% | \$6.00 |
| Computer & Mathematical Science | 336 | 18,960 | 98.6% | 100.0% | \$19.23 |
| Community & Social Services | 324 | 24,080 | 67.0% | 87.4% | \$9.13 |
| Farming, Fishing & Forestry | 201 | 6,310 | 26.1% | 78.4% | \$9.00 |
| Non-Classifiable Occupations | 183 | NA | 36.8% | 82.7% | \$10.00 |
| Legal | 109 | 14,300 | 85.3% | 100.00% | \$26.44 |
| Life, Physical & Social Science | 92 | 13,050 | 93.6% | 50.6% | \$15.50 |
| Total, All Occupational Groups | 40,799 | 1,860,940 | 39.5% | 73.1% | \$8.58 |

Job titles with many openings

Customer Service Representatives (2,187 openings)
 Truck Drivers, Heavy and Tractor-Trailer (1,937 openings)
 Telemarketers (1,867 openings)
 Cashiers (1,582 openings)
 Retail Salespersons (1,557 openings)
 Waiters and Waitresses (1,050 openings)
 Licensed Practical and Licensed Vocational Nurses (1,012 openings)
 Food Prep. & Serving Related Workers, All Other (981 openings)
 Nursing Aides, Orderlies, and Attendants (928 openings)
 Maids and Housekeeping Cleaners (918 openings)

Louisiana Vacancies by Industry Group

| Industry Group | Number of Vacancies | Industry Employment | Vacancy Rate | Median Hourly Wage Offered |
|-----------------------------------|------------------------|------------------------|-----------------|----------------------------------|
| Trade, Transportation & Utilities | 9,529 | 395,160 | 2.4% | \$8.00 |
| Professional & Business Services | 8,123 | 190,339 | 4.3% | \$9.50 |
| Leisure & Hospitality | 6,468 | 217,444 | 3.0% | \$5.60 |
| Education & Health Services | 5,535 | 449,108 | 1.2% | \$9.34 |
| Other Services | 3,069 | 52,478 | 5.8% | \$10.33 |
| Construction | 2,526 | 127,192 | 2.0% | \$11.50 |
| Financial Activities | 2,463 | 100,978 | 2.4% | \$10.60 |
| Manufacturing | 1,772 | 152,493 | 1.2% | \$9.30 |
| Natural Resources & Mining | 717 | 53,907 | 1.3% | \$14.43 |
| Information | 597 | 33,216 | 1.8% | \$9.42 |
| Total, All Industry Groups | 40,799 | 1,772,315 | 2.3% | \$8.58 |

WHAT do these numbers mean ?

There were 40,799 job vacancies in Louisiana, for a vacancy rate of 2.3 percent. This means that for every 100 jobs, approximately two were vacant at the time of the survey. The Office & Administrative Support occupational group had the highest number of vacancies (6,515), comprising approximately 16 percent of all reported openings. The Sales & Related occupational group took second place in the number of vacancies (6,311) for the 4th quarter 2004 survey.

The Trade, Transportation & Utilities industry group had the largest number of vacancies (9,529), accounting for 23 percent of the vacancies in this survey. Two of the occupational groups with a large number of vacancies can be found in this industry group: Sales & Related and Transportation & Material Moving.

Education and experience requirements varied widely across occupational groups. Food Preparation & Serving Related and Protective Service occupational groups had the smallest number of job vacancies requiring more than a high school diploma, while Computer & Mathematical Science and Architecture & Engineering occupational groups had the largest percentage of job vacancies requiring more than a high school diploma. Approximately three-fourths of the job vacancies require at least some work experience. Wages varied by occupation from a median wage of \$5.65 per hour for Food Preparation & Serving Related to a median wage of \$26.44 for Legal. Median wage for all occupational groups was \$8.58 per hour.

A SNAPSHOT

of Louisiana job vacancies

How are experience, education and pay related?

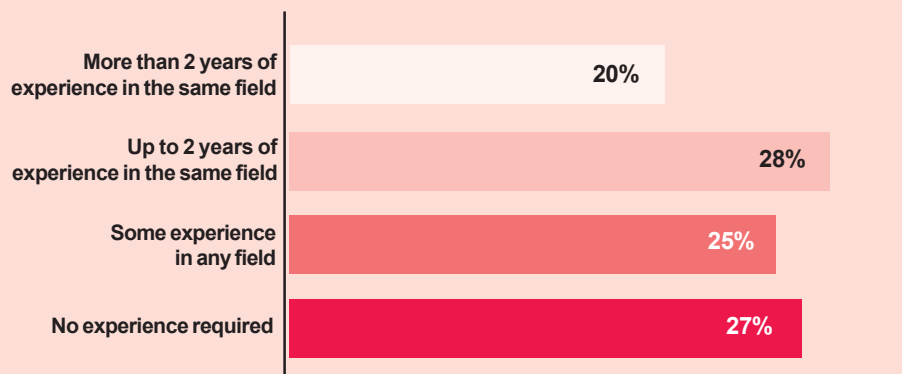
Tenure is a way of identifying how experience, education and pay relate to one another. Employees with higher years of tenure usually have higher levels of education, more experience, and are paid more, while employees with less education and experience find themselves in low paying jobs that have more turnover. Based on the Bureau of Labor Statistics 2004 Employee Tenure report, jobs with noticeably high employee tenure included management occupations (6.0 years), architecture and engineering occupations (5.8 years), protection service occupations (5.5 years), education, training, and library occupations (5.1 years), production occupations (5.0 years), and healthcare practitioner and technical occupations (4.5 years). Jobs with somewhat low employee tenure included food preparation and serving related occupations (1.8 years), personal care and service occupations (2.7 years), sales and related occupations (2.8 years), and healthcare support occupations (2.9 years).

Overall, Louisiana employers were seeking experienced workers for the 4th quarter 2004. Just over 70 percent of all reported vacancies required at least some previous work experience. One in four vacancies required some experience in any field, 28 percent required up to two years experience in the same field, and one in five vacancies required more than two years of experience in the same field.

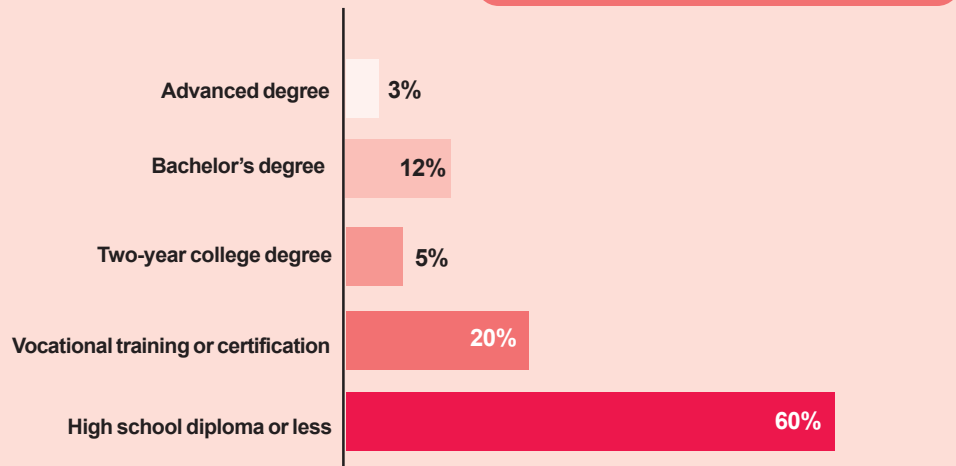
Only 15 percent of Louisiana's vacancies required a four-year college degree or higher. Twelve percent required a bachelor's degree, while three percent required an advanced degree. Educational attainment of a high school diploma or less was required by 60 percent of the job vacancies reported. Five percent of the vacancies required a two-year college degree and 20 percent of the vacancies required vocational training or certification.

The majority of the job vacancies paid from \$5.16 to \$10.00 per hour, with the largest share of vacancies (31%) paying \$7.01 to \$10.00, and the second largest share (26%) paying \$5.16 to \$7.00. Eleven out of 100 job vacancies paid \$5.15 an hour or less, while 13 out of 100 job vacancies paid over \$16.00.

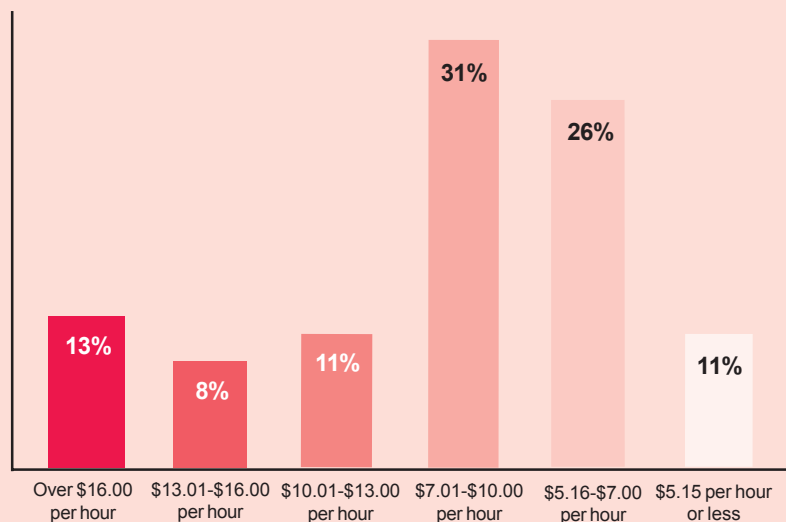
How much experience do Louisiana job vacancies require?



How much education do Louisiana job vacancies require?



How much do Louisiana job vacancies pay?



What is the difference between an *industry* and an *occupation*?

An industry is a group of establishments, categorized according to the goods or services they provide. For purposes of this study, many of the industry sectors are grouped together to provide summary information. For instance, the industry sectors of Wholesale Trade, Retail Trade, Transportation and Warehousing, and Utilities are combined to form a summary industry group called Trade, Transportation & Utilities.

An occupational group is a group of workers, categorized according to the skills they have and what they do on the job. For example, Healthcare Practitioner and Technical Occupations is one occupational group that includes many different types of occupations such as Dentists, Optometrists, Therapists, Veterinarians, Diagnostic related Technologists and Technicians, and Medical Records and Health Information Technicians. These are just a few of the occupations you can find in this occupational group.

Each industry contains a variety of occupations, and many occupations may be found in every industry. Using Healthcare Services (part of the summary industry group of Education & Health Services) as an example, you may find the following occupations in a hospital: doctors, therapists, office managers, medical records clerks, housekeepers, nurses, food preparation workers, and maintenance workers.

What did EMPLOYERS say?

Employers' Responses to the Open-Ended Question:
*"In trying to fill this position,
 what is the greatest difficulty you have faced, if any?"**

| Reported Difficulty | Number of Responses | Percent of Responses |
|--|---------------------|----------------------|
| <i>"We have been unable to find qualified applicants and/or qualified applicants with experience."</i> | 119 | 15.2% |
| <i>"Qualified applicants will not work for the compensation package we offer."</i> | 19 | 2.4% |
| <i>"We have been unable to find applicants with the specific experience / training / skills / certification that we are seeking."</i> | 152 | 19.4% |
| <i>"There is a shortage of people in this occupation."</i> | 60 | 7.7% |
| <i>"Some aspect of the job is undesirable to applicants." (such as shifts, weekends, heavy lifting)</i> | 67 | 8.6% |
| <i>"The work ethic of people, once they are hired, is unacceptable." This included comments on social skills, appearance, attitude, maturity, and dependability.</i> | 65 | 8.3% |
| <i>"Turnover - keeping people once they have been hired is the biggest problem."</i> | 25 | 3.2% |
| <i>"Finding people that want to work. Not enough applications submitted."</i> | 62 | 7.9% |
| <i>Some other difficulty mentioned.</i> | 112 | 14.3% |
| <i>"No reported difficulty in filling vacancy."</i> | 103 | 13.0% |
| Total Responding to this Question | 784 | 100.0% |

* Confidentiality concerns precluded publishing employers' verbatim responses. However, an LDOL analyst reviewed all responses to the question above, grouped similar responses together, then re-worded the similar responses into one representative sentence or phrase, as shown above. Data shown in this table are unweighted. Percentages may not total to 100 percent due to rounding.

| Major Occupational Group | Number of Vacancies | Vacancy Rate | Hiring Demand Index* | Median Number of Days Position was Vacant |
|---|---------------------|--------------|----------------------|---|
| Architecture & Engineering | 540 | 1.89% | High | 28 |
| Arts, Design, Entertainment, Sports & Media | 480 | 3.09% | High | 25 |
| Building & Grounds Cleaning & Maintenance | 1,664 | 2.7% | Average | 7 |
| Business & Financial Operations | 564 | 1.04% | Low | 14 |
| Community & Social Services | 324 | 1.35% | Average | 28 |
| Computer & Mathematical Science | 336 | 1.77% | High | 30 |
| Construction & Extraction | 2,205 | 1.92% | Low | 30 |
| Education, Training & Library | 463 | 0.42% | Low | 42 |
| Farming, Fishing & Forestry | 201 | 3.18% | High | 30 |
| Food Preparation & Serving Related | 4,754 | 2.89% | Low | 14 |
| Healthcare Practitioner & Technical | 2,486 | 2.31% | High | 30 |
| Healthcare Support | 1,512 | 2.86% | Low | 14 |
| Installation, Maintenance & Repair | 2,386 | 2.56% | High | 30 |
| Legal | 109 | 0.76% | Low | 6 |
| Life, Physical & Social Science | 92 | 0.71% | Low | 14 |
| Management | 697 | 0.73% | Low | 28 |
| Non-Classifiable Occupations | 183 | NA | NA | 7 |
| Office & Administrative Support | 6,515 | 2.08% | Average | 21 |
| Personal Care & Service | 1,218 | 2.28% | Low | 30 |
| Protective Service | 1,997 | 1.59% | Average | 28 |
| Production | 634 | 1.20% | Low | 6 |
| Sales & Related | 6,311 | 3.31% | Average | 21 |
| Transportation & Material Moving | 5,126 | 3.41% | Average | 14 |
| Total, All Occupations | 40,799 | 2.19% | | 21 |

Taking all of the labor shortage indicators together (vacancy rate, hiring demand index, and the length of time vacancies remained unfilled), there was no evidence of severe labor shortages in any occupational group. The overall vacancy rate for 4th quarter 2004 was 2.19 percent, and positions stayed vacant for a median of 21 days, indicating that employers were able to fill a manageable number of vacancies in a reasonable amount of time. There were four occupational groups that appeared to be experiencing mild shortages: Arts, Design, Entertainment, Sports & Media; Farming, Fishing & Forestry; Healthcare Practitioner & Technical; and Installation, Maintenance & Repair. All four had high vacancy rates, high hiring demand indices, and vacancies that stayed open for a relatively long period.

*The Hiring Demand Index indicates whether demand for workers in an occupational group is more than what we would expect from turnover levels alone. A "high" score on the Hiring Demand Index means that, all else equal, a labor shortage is **likely**, because there are more openings than we would expect to see from normal turnover alone. A "low" score means that a labor shortage is **unlikely**, because there are **not** more openings than we would expect to see from turnover alone. See the back cover of this report for more details on this measure.

Are there
LABOR SHORTAGES
 in Louisiana?

FOR MORE INFORMATION

Fourth Quarter 2004 Job Vacancy Survey Findings are available for the state of Louisiana as well as all eight regional labor market areas (RLMAs). To order copies, or for more information, please contact the Louisiana Department of Labor's Research and Statistics Unit at (225) 342-3141, or toll-free at (888) 302-7662. You may also download any Job Vacancy Survey product from our Web site: www.LAWORKS.net/qm_JVS.asp.

TECHNICAL NOTES

for the Fourth Quarter 2004
Job Vacancy Survey

THE SAMPLE

The Job Vacancy Survey was based on a random sample of Louisiana business establishments covered by Louisiana's unemployment insurance (UI) tax laws. The survey was conducted in a cooperative endeavor between Louisiana State University and Louisiana Department of Labor. The sample was stratified by firm size, region (including the eight regional labor market areas in Louisiana) and industry classification. This sample excludes certain types of establishments: small businesses with self-employed owners and some non-profit and religious organizations, which are not covered by UI tax laws. In addition, the sample is limited to **private employers only. The vacancies reported in this study do not include openings with any federal, state, or local government entities in Louisiana.** The total sample size was 8,139. The overall response rate for this survey was 38.7%.

JOB VACANCY RATES

Vacancy rates are computed as the number of vacancies in an occupation divided by the total employment in that occupation. A vacancy rate of five percent means that for every 100 jobs, five were vacant at the time of the survey.

HIRING DEMAND INDEX

The Hiring Demand Index presented in this report measures demand for labor over and above the normal demand due to turnover. This measure, first constructed by the Minnesota Department of Employment and Economic Development, is computed as follows:

$$(\text{Job Vacancy Rate in the Occupation} / \text{Job Vacancy Rate in all occupations})$$

divided by

$$(\text{Turnover rate in the occupation} / \text{Turnover rate in all occupations})$$

Job vacancy rates are calculated as discussed above, and national turnover rates were provided by the Minnesota Department of Employment and Economic Development. They were calculated using Current Population Survey (CPS) Job Tenure Supplement microdata.

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